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SECOND SUBSTITUTE HOUSE BILL 2630

State of Washington 57th Legislature 2002 Regular Session

By House Committee on Capital Budget (originally sponsored by Representatives Conway, Cairnes, Cooper, Wood, Lantz, Sullivan, Berkey, Edwards, Tokuda, Chase, Ogden, Santos and Simpson)

Read first time 02/12/2002. Referred to Committee on .

- 1 AN ACT Relating to apprenticeship utilization requirements; and
- 2 adding new sections to chapter 39.04 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** A well-trained work force is critical to the
- 5 economic and social vitality of the state of Washington. Studies of
 - the state's work force highlight population trends that, without a
- 7 concerted effort to offset them, will lead to an inadequate supply of
- 8 skilled workers in the construction industry. Apprenticeship training
- 9 programs are particularly effective in providing training and
- 10 experience to individuals seeking to enter or advance in the work
- 11 force. Public works contracts can provide training and experience as
- 12 a means to increase the skills of the state's work force and to help
- 13 apprentices become journeyworkers.
- 14 <u>NEW SECTION.</u> **Sec. 2.** The definitions in this section apply
- 15 throughout sections 1 through 3 of this act unless the context clearly
- 16 requires otherwise.

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- 17 (1) "Apprentice" means an apprentice enrolled in a state-approved
- 18 apprenticeship training program.

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- 1 (2) "Apprentice utilization requirement" means the requirement that 2 the appropriate percentage of labor hours be performed by apprentices.
- 3 (3) "Labor hours" means the total hours of workers receiving an 4 hourly wage who are directly employed on the site of the public works 5 project. "Labor hours" includes hours performed by workers employed by the contractor and all subcontractors working on the project. "Labor 6 hours" does not include hours worked by foremen, superintendents, 7 8 owners, and workers who are not subject to prevailing 9 requirements.
- 10 (4) "State-approved apprenticeship training program" means an 11 apprenticeship training program approved by the Washington state 12 apprenticeship council.
- NEW SECTION. Sec. 3. (1) From July 1, 2002, through December 31, 2002, all contracts for public works estimated to cost two million dollars or more shall require that no less than ten percent of the labor hours be performed by apprentices.
- (2) From January 1, 2003, through December 31, 2003, all contracts for public works estimated to cost two million dollars or more shall require that no less than twelve percent of the labor hours be performed by apprentices.
- (3) From January 1, 2004, and thereafter, all contracts for public works estimated to cost one million dollars or more shall require that no less than fifteen percent of the labor hours be performed by apprentices.
- 25 (4) Awarding agency directors shall adjust the requirements of this 26 section for a specific project for the following reasons:
- 27 (a) The lack of availability of apprentices in specific geographic 28 areas, demonstrated by a failure of solicitations sufficient to fill 29 the jobs needed. The contractor may apply for an adjustment under this 30 subsection (4)(a) after the employment solicitations have been 31 insufficient for thirty days after the initiation of work under the 32 public works contract;
- 33 (b) A disproportionately high ratio of material costs to labor 34 hours, which does not make feasible the required minimum levels of 35 apprentice participation;
- 36 (c) Participating contractors have demonstrated a good faith effort 37 to comply with the requirements of this act; or

- 1 (d) Other criteria the awarding agency director deems appropriate, 2 which is subject to prior review by the apprenticeship program manager 3 of the department of labor and industries.
- 4 (5) A contractor must make reasonable efforts to apply the 5 apprentice utilization percentage requirements listed in subsections 6 (1) through (3) of this section so that the appropriate percentage of 7 labor hours in each separate craft or trade is performed by apprentices 8 in that craft or trade.
- 9 (6) This section applies only to public works contracts awarded by 10 the state and the institutions of higher education as defined in RCW 11 28B.10.016. However, this section does not apply to contracts awarded 12 by state agencies headed by a separately elected public official and 13 the department of transportation.
- 14 (7)(a) The department of general administration must provide 15 information and technical assistance to affected agencies and collect 16 the following data from affected agencies for each project covered by 17 this section:
- 18 (i) The number of apprentices and labor hours worked by them, 19 categorized by trade or craft;
- 20 (ii) The number of journey-level workers and labor hours worked by 21 them, categorized by trade or craft; and
- (iii) The number, type, and rationale for the exceptions granted under subsection (4) of this section.

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- (b) By January 1, 2003, and each year thereafter, the department of general administration shall compile and summarize the agency data and provide reports to the senate labor, commerce and financial institutions committee, the house commerce and labor committee, or their successor committees, and the governor. The report shall include recommendations on modifications or improvements to the apprentice utilization program.
- 31 (8) By January 1, 2003, and each year thereafter, the department of 32 labor and industries must report to the senate labor, commerce and 33 financial institutions committee, the house commerce and labor 34 committee, or their successor committees, and the governor on skill 35 shortages in each trade or craft.

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NEW SECTION. Sec. 4. Sections 1 through 3 of this act are each added to chapter 39.04 RCW.

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